

A new beginning? Africa policy of the new German government

[Address given by H.E. Andreas Peschke, Ambassador of the Federal Republic of Germany to South Africa, at The Cape Town Press Club, Wednesday 9 February 2022]

In September of last year, Germany has elected a new government. It is a government that has brought with it a few “firsts”. It is the first government that consists of three parties from different political families. It is the first cabinet that is made up of an equal number of women and men. It is the first time in over 150 years that we have a female foreign minister. It is the first time a social democrat was elected chancellor after 16 years in office for Angela Merkel.

So this new government represents an important milestone in Germany. In many policy areas, there is a sense of new beginning after 16 years of conservative-lead governments. In the fields of social, climate, and legal policy, this seems especially to be the case.

I would specifically like to mention the energy revolution. Germany will exit nuclear. There may be a renaissance elsewhere, even with our closest partners like France. Our commitment is unwavering. The last nuclear power station will be switched off by the end of the year.

We will also phase out coal. Not by some time in the distant future, but legally by 2038, if possible by 2030. And in this respect we have a challenge not dissimilar from the one S.A. is facing. Because exiting coal is not just a change in the energy mix. It is a social task as well involving a lot of structural changes. And we need to do this while keeping the biggest industrial economy of Europe running.

There is a chance that if you visit Germany 10 years hence, you will find a fundamentally changed country. Electric cars on the roads. A completely changed energy production massively relying on sun, wind and green hydrogen for storage purposes.

And talking about hydrogen, brings me to Africa as well. Because the natural conditions to produce green hydrogen in Africa are much more hopeful than they are in cold Central Europe. So here we have an obvious area where we will be looking for cooperation.

In foreign policy, traditionally, there has been a lot of continuity in post-World War II Germany. Committed to international cooperation, rooted in NATO and European integration, linked by trade, investment, and economic cooperation to many regions of the world, including of course Africa.

So this new government came with a lot of international ambitions as well. It didn't take long, and much of it is already tested by events. The crisis in Eastern Europe, the Russian troop concentration along the Ukrainian border, against the background of the already ongoing conflict in the Donbas. The radically mounted tension, the efforts by international leaders to defuse the situation, all this has to be at the centre

of the attention of the new German leadership. Because we, that means Europe and Germany, are immediately affected by what is going on in our close neighbourhood. But it is not only us. The crisis involves a lot of fundamental questions of international law and international relations. Do neighbours accept the territorial integrity of neighbours? Do big countries accept the right of smaller neighbours to decide about their future on their own? Quite important questions not only in Eastern Europe but relevant world wide.

On Africa, the coalition treaty has 15 lines. Their main message is: Africa is our neighbouring continent. What happens here, is important to us. Therefore we want to cooperate and build a solid relationship. And this is not revolutionary. There is a lot of continuity with previous government. There is a continued commitment to partnership and cooperation. And this is good news.

Let me pinpoint a few specific priorities.

Peace and security on the continent and in the Sahel is of vital interest to us.

Creating peace, security, and stability in Africa is vital. To contain terrorist threats in the Sahel region, at the Horn of Africa and in Northern Mozambique is in our joint interest. In all these regions, we have to prevent a further destabilization.

In doing so, civil and military engagement have to go hand in hand: staff for multilateral military missions, training security forces, development cooperation, and humanitarian aid are all equally important.

Emphasis on democratic legitimation of governments and rule of law as the basis for partnership and focus when accompanying transitions. Here we are also following the lead by ECOWAS, regional organizations, and the AU who took a principled stance on the coup d'états in Sudan, Mali, Burkina Faso and Guinea. Have to strengthen democratic resilience and preventive diplomacy in the light of recent coups.

To be quite honest with you, we intensively ask ourselves what is going on at the beginning of this year, with 4 countries under military rule. There seems to be a democratic backlash. Why is this?

And of course we are, like you and many others, very worried by what is going on in Mali. We have the biggest foreign deployment of our Army currently in Mali (>1000 troops), under the auspices of the EU training mission and the UN. And yes, we are looking at revisiting our engagement, with the lack of democratic commitment by the military authorities and the feeling, that our partners and we are no longer welcome. African security is a textbook field for African nations acting and taking responsibility on their own. Therefore we have a lot of respect for the deployment of the SADEC mission to Northern Mozambique. We all know that the mission would not go anywhere without South Africa providing leadership. The EU is currently discussing how this mission can be supported, and Germany supports this debate very much.

There are other, more long-term, things to be mentioned, like our Support for Silencing the Guns initiative: collaboration with AU on action plan on Small Arms and Light Weapons (SALW) and continent-wide campaign.

Fighting global challenges together – COVID pandemic & climate change

It is a simple truth that global challenges can successfully only be tackled together. We can set ourselves ambitious climate goals in Germany, or even Europe. If other big emitters like China, the US or Russia won't do the same, we will not go anywhere in reducing global warming in comparison to pre-industrial levels.

Also, big emitting does not mean that you suffer most. Africa, for instance, is globally speaking not a big emitter. Yet, it is particularly hit by the consequences of climate change.

Or take Corona for example. The virus has exposed our universal vulnerability due to global value chains and the fact that the virus does not respect man-made boundaries. And as it turned out, Africa drastically and structurally depends on these global value chains, technologies and patents. So it is important to break up the traditional 'donor-receiver' relationships and to go for more cooperative partnerships. We wholeheartedly support the European support effort for more vaccines "made in Africa". There is a joint German-French Initiative to support setting up local vaccine production in South Africa.

Expanding local capacities for vaccine production is an essential tool for global pandemic control/prevention. Only 1% of vaccines used in Africa are locally produced. African Union (AU) aims to establish African vaccine production – not only for COVID 19 vaccines. Germany makes important financial contributions to setting up vaccine production in Africa.

Germany was also one of the founding members of the UN Country Coordinating Mechanism called Access to COVID19 Tools Accelerator (ACTAccelerator) in April 2020, including the COVAX initiative for an equitable sharing of vaccines. In fact Germany, under our new government, remains its second-largest donor, with contributions totalling 2.2 billion euro (nearly 40 billion Rand) so far.

We support African regional integration.

Germany counts on the strong voice of Africa when it comes to strive for a value-based multilateral order, global governance and a level playing field for the global economy. That is why we are interested in strengthening the African Union and the African regional organisations.

We support "African solutions to African problems". The upcoming EU-AU summit is great chance to turn the relationship between the EU and Africa into a modern political partnership that overcomes donor-recipient dynamics and tackles global challenges together, and enables sustainable and greener growth. It took a long time

in planning. In fact we were about to hold the summit in the second half of 2020 when Germany was chairing the EU, and South Africa the AU. Due to the pandemic it had to be postponed several times. And now the Summit is really overdue.

At the moment, Africa's trade with the rest of the world exceeds the intra-African trade by far. The AfCFTA offers the chance to create local supply chains resulting in growth and jobs. When we talk to German companies that have invested in Africa, this is an issue they always mention.

That is why the EU and member states strongly support the AfCFTA: Germany is the largest bilateral donor and we have been supporting negotiations on and implementation of AfCFTA since 2016, currently totalling 78 million euros. EPAs (Economic Partnership Agreements) should complement AfCFTA and provide a clear framework for trade between Africa and Europe.

Let me mention one specific challenge we share between Europe / Germany and South Africa: **migration**. It has to be handled very carefully because otherwise it is easily exploited by populists.

Europe in the North, like South Africa in the South, is a prime destination for African migrants who are seeking greener pastures, or for those whose homelands are not at peace and simply cannot provide the very basic needs for survival.

The new German government aims for a change of paradigm: We need to proactively and realistically shape the way we manage migration and integration. While reducing irregular migration, we must further develop legal migration pathways. And we must counter the root causes of displacement.

By placing greater emphasis on the possibilities of legal migration, we would like enhance our migration dialogue with Africa.

Let me also mention an area where Germany took a special responsibility this year. Like France in the EU, and my French colleague was here to talk about it, **Germany is currently heading the G7**, the Group of major industrialised countries.

In the G7, our overall aim is *Progress towards an equitable world*. We are looking to facilitate outreach and partnership. And we will invite key countries from key regions to the summit 26/28 June in Elmau and we will also foster the link between what the G7 is doing and the G20.

Of course, here we are looking to work closely together with South Africa as the only African member of the G20. There is the G20 compact with Africa a central element of the G20 Africa partnership, co-chaired by South Africa and Germany, for the last time in August 2021 by our outgoing chancellor and President Ramaphosa. The Compact with Africa was initiated in 2017 under German G20 Presidency in order to

promote private investment in Africa, including in infrastructure. It aims to improve the economic framework in reform-oriented countries and to contribute to economic development with more private investment.

New government committed to continue our work in the G20 Compact with Africa. Glad to rely on South Africa co-chairing the Advisory Group within the G20.

So, where does this leave our **relationship with South Africa**?

There is one continued universal wisdom, which is shared also in Berlin. South Africa matters. South Africa counts. You cannot meaningfully talk about Africa without reference to the importance and responsibility of S.A. Of course, we are aware that South Africa like any of our countries faces enormous challenges. You report on that. The international & German press reports on that and even the Embassy has to report on it from time to time. There is the growth problem in the economy with growth figures way too low to take many things forward. There are the social questions with unemployment running way too high. There is a need to improve governance and to fight corruption. And we are all looking forward to the SONA speech by President Ramaphosa tomorrow.

But having said this, there is no doubt that South Africa is the economic powerhouse of the region. South Africa is the most advanced technological hub on the continent. South Africa is an influential voice in African affairs and Institutions, and on the global scene. Or, to put it in other words, we need South Africa to build a fruitful relationship with Africa in general. That is the thinking and not only in Berlin.

So, specifically, we are looking at a number of priorities.

There is, first of all the **economic relationship**.

The economic ties between South Africa and Germany are very close. In fact, Germany is South Africa's second biggest bilateral trade partner – with over 15 billion Euros of trade (over 255 billion Rand).

The EU is South Africa's most important direct investor. Nearly half of direct foreign investment in SA comes from the EU. Germany alone invested over 6 billion Euros (over 100 billion Rand).

Over 600 German companies are investing in SA and creating over 100,000 jobs.

So, this is all good. But we want to do more. We are particularly looking at how we can strengthen investments. This is also a question of framework conditions. And we are working government-to-government to provide a good playing field to companies.

Another bilateral priority is the **Just Energy Transition**.

A just and sustainable energy and climate transition in South Africa is both an enormous challenge, and a huge opportunity. To turn around a coal-powered economy is difficult, and we have our own experience with this in Germany. It is even more difficult when you have to cope with gaps in the power supply in the first place. Yet, a successful energy transition offers unprecedented opportunities for the country's economic development, indebtedness, ensuring a secure, reliable, affordable, sustainable and clean energy supply.

Germany and South Africa have a longstanding tradition in collaborating on energy issues, involving research institutions, provinces, municipalities and the private sector. Within the bilateral Energy Partnership between our two countries, just and sustainable energy transition is one of six focus topics, all of which are closely interrelated. Pursuing its own energy transition – 'Energiewende' –, Germany was facing challenges similar to those in South Africa today.

Against the background of this solid bilateral cooperation and with a view to the Glasgow Climate Summit, South Africa and Germany, together with France, the EU, United Kingdom and United States, developed and successfully launched the Just Energy Transition Partnership, 'JET P'. This partnership encompasses an initial funding package of 8.5 billion USD for the first three to five years of the Partnership's implementation.

The Partnership is perfectly aligned with South Africa's ambitious climate action processes at the national and subnational level. There is the updated NDC (Nationally Determined Contribution), there is the Long Term Strategy's determination to reach carbon neutrality by 2050, to mention just two of the policy frameworks. South Africa is taking on a leading role at international level.

We are very much looking forward to the next phase in the process, with the Task Force focussing on finance and implementation, scope and substance, and we are committed to agree on a joint work programme.

At the same time, the social implications of such fundamental changes need also to be addressed. It will be key to place highest priority to the '*JUST*' element of the energy transition and to work with all stakeholders, who will be part of the transition, and at national and Province level.

Just to flag one example: A new bilateral project "Just Transition for a decarbonized economy in South Africa" (15 million Euros) will focus on coal regions and communities. The project will support the transition to sustainable livelihoods.

I am confident that our joint efforts Just Energy Transition will help drive South Africa's economy and build a sustainable, resilient future!

And I would like to mention a third bilateral cooperation priority – **education & training**.

In fact, this dates back a long time. Germany has been supporting South Africa for almost three decades in its efforts to educate and upskill its youth and reduce the country's ever rising levels of unemployment. With youth unemployment so high, this area is as relevant as ever.

In 2020, former Chancellor Merkel and President Ramaphosa signed a joint Initiative to promote technical and vocational education and training (TVET). We jointly worked on capacitating the TVET system and supporting lecturers, management and learners

We work with the *Department of Higher Education and Training*, and with the *Department of Communications and Digital Technologies*, and the *Project Management Office in the Presidency*, we set up new partnerships with strong players in the field of skills development over the last year.

The TVET system, and Germany's experience in the field of dual vocational training, will be at the core of our bilateral cooperation under our new team in Berlin. Dual qualification measures have been piloted and institutionalized at Centres of Specialisation-Colleges. A Lecturer Development Centre for TVET lecturers is on its way to be constructed.

Coming to an end, all this is testimony to a very close relationship between South Africa and Germany. There may also be new fields of cooperation coming up. Just to give one example: last year there were local government elections in South Africa, and they took place shortly after the national elections in Germany. Here and there, there was a need for coalition building. With this in mind, both our countries could meaningfully talk and learn from each other in the area of coalition governments.

To sum it up, if there is a new beginning, in our view it should be green, just and digital.

And as they say, "*a close neighbour is better than a distant relative*", Africa and Europe need to cooperate and support each other. This proverb is from China, and although we have our issues with China, we are always open to learn from Far Eastern wisdom.